THE ILLINOIS CENTRAL RAILROAD IN PEACE AND WAR, 1858-1868

By

ROBERT MIZE SUTTON

A.B., Shurtleff College, 1937

A.M., University of Illinois, 1938

AN ABSTRACT OF A THESIS

SUBMITTED IN PARTIAL FULFILLMENT OF THE REQUIREMENTS
FOR THE DEGREE OF DOCTOR OF PHILOSOPHY IN HISTORY
IN THE GRADUATE COLLEGE OF THE
UNIVERSITY OF ILLINOIS, 1948

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No other industry in the United States has been so widely investigated with respect to the impact which its various aspects have made upon the life and habits of the people as have the American railroads. The Civil War period is no exception to this rule. Yet, although numerous efforts have been made to survey the entire field of railroad participation in the war effort, few attempts have been made to assess the contribution of individual companies to the conduct of the war.

In general, there has been a noticeable tendency to emphasize the part played by the eastern roads during the Civil War, while at the same time, these studies appear to have overlooked the equally strategic role which the western railroads were playing in the campaign to open the Mississippi River and divide the southern Confederacy. Consequently, no serious attempt has been made heretofore to describe the contribution which the Illinois Central Railroad made to the Union war effort.

In an attempt to describe adequately the importance of this contribution, the decision was made to cover a decade of the company's history, from 1858 to 1868. By so doing, it has been possible to trace the principal lines of company activity from the time the road became a potent factor in Illinois transportation history, until it began to reach beyond the borders of Illinois in the post-war era and absorb tributary railroads in neighboring states.

The Illinois Central Railroad, whose construction was made possible through a grant of public land to the State of Illinois by Act of Congress, September 20, 1850, was chartered on February 10, 1851. The last rail in the construction of the charter lines was laid near Mason, Illinois, on September 27, 1856, five years and eight months after the charter had been received. The completion of the Illinois Central Railroad, coming in the wake of several abortive attempts to build a rail thoroughfare running the length of the state, provided the interior counties of Illinois with a means of transportation which enabled them to keep pace with the economic development of the Middle West. It would be difficult to find anywhere so marked a change in the habits and

characteristics of such a large area as the railroads brought to the prairies of central and eastern Illinois in the decade after 1850. This region, once described as "the lair of the wolf and the feeding ground of the deer," became one of the most prosperous agricultural regions in the United States.

The Illinois Central Railroad traversed the state in the form of an elongated "Y". Its main line ran northward from Cairo directly through the center of the state to a junction with the western end of the Illinois and Michigan Canal, from whence it proceeded in a northwesterly direction to reach the Mississippi River at Dunleith. The Chicago branch departed from the main line just north of Centralia, and followed a course remarkably free from curves or grades to the young metropolis on the shores of Lake Michigan. In addition to opening the rich interior of Illinois to settlement and agricultural development, the 706 mile road also stood as a year-round, all-weather connection between the Great Lakes-upper Mississippi region and Cairo, the "gateway to the South."

The one weakness in the position of the Illinois Central was the absence of a company-owned connection linking the main line and the Chicago branch above Centralia. This condition was felt most acutely in northern Illinois where several competing lines were in a position to dominate the trade moving to and from Chicago. By 1858 this problem had been temporarily solved through the formation of traffic alliances with connecting roads, and the negotiation of trackage agreements for the use of certain desirable sections of track. The most valuable of these agreements was that made with the Peoria and Oquawka Railroad in 1857, and similar arrangements were made at various times with the Galena and Chicago Union and Chicago, Burlington and Quincy railroads. The Illinois Central took the lead among the western roads in the development of traffic agreements and the negotiation of trackage rights over neighboring lines.

Much of the enthusiasm for the Illinois Central Railroad at the time of the passage of the land-grant act had been generated by the plan to extend the central railroad to the Gulf of Mexico at Mobile, Alabama. The successful passage of the Douglas-sponsored measure was due, in no small part, to the solid support given it by the congressmen and senators from the Gulf States.

The Illinois Central was deeply interested in the development of the southern connection, and soon a spirited rivalry developed between the business interests in Mobile and New Orleans. Both the Mobile and Ohio and the combined New Orleans, Jackson and Great Northern-Mississippi Central railroads were built northward toward a potential junction with the Illinois Central at Cairo, but the dream failed to materialize until after the Civil War. Using eighty-six miles of track between Jackson, Tennessee, and Columbus, Kentucky, jointly with the Mobile and Ohio, the New Orleans line reached the latter point in January, 1860, while the road from Mobile was completed to Columbus, just twenty miles south of Cairo, in April, 1861.

The completion of the southern routes came too late to have any true bearing upon the commercial outlook in the immediate pre-war period. Valuable as they were in providing local service, for the various sections of railroad were placed in operation as separate divisions as rapidly as they were completed, the connecting lines were not able to develop with the Illinois Central the volume of intersectional traffic which had been anticipated. Plans for the exchange of goods ceased with the outbreak of war, and it remained for the post-war decades to see the southern lines develop as important avenues of North-South trade. The failure to realize earlier the possibilities of rail transportation in relation to the commercial needs of the West and South worked to the disadvantage of these sections. Certainly, the successful operation of a Chicago to New Orleans or Mobile rail line would have had an important effect upon the problem of militant sectionalism during the 1850's.

Nevertheless, the southern business of the Illinois Central carried on by river and rail contributed no small part to the improved economic position which the company occupied in the year which immediately preceded the war. Having weathered successfully the panic of 1857 and miserable harvests in 1858 and 1859, the Illinois Central was able to enjoy a brief moment of prosperity before secession and war brought the company once again to the brink of disaster.

The coming of war in April, 1861, was most unwelcome to the managers of the Illinois Central Railroad, for it would naturally interfere with the lucrative trade between the sections which

had been contributing to the prosperity of the road. Furthermore, there was the haunting fear that the wording of the company's charter would impose strange and burdensome obligations upon the road's operation. Nevertheless, there was never any question about the loyalty of the Illinois Central. The road went about its business of providing transportation service with enthusiasm and dispatch. The initial thought of the company was undoubtedly that of protecting Cairo and the southern portion of the road from attack, and the first active participation of the Illinois Central in the Union war effort was directed to that very end.

A further consideration, immediate in its demands and more far-reaching in its results, was the effect of war upon the business and trade of the West. Obstacles placed in the way of trade as a result of the closing of the Mississippi River struck a crippling blow at one of the road's major sources of traffic income. The shift in the direction taken by Northwest trade away from the Mississippi route and toward the Great Lakes-Erie Canal route accelerated a movement which had been developing strength for a decade past. The Illinois Central played a vital role in rerouting the commodities of the Ohio and Mississippi valleys after the southern route had been closed by war.

This transition was not clearly understood by the officials of the company, nor was it especially appreciated by them. The policy of the Illinois Central had been based upon the assumption that the normal flow of traffic was from north to south, or vice-versa, and the opinion was rather generally held that the reversal of the "normal" flow of traffic was a temporary wartime expediency which would be righted by the return of peace. The failure of the company to recognize the permanent nature of the direction taken by wartime trade, and its determination to maintain the importance of the Cairo-New Orleans outlet for northwestern agricultural products worked to the disadvantage of the Illinois Central in the post-war era.

The experience of the American Civil War caused an entirely new estimate to be placed upon the value of railroads in modern warfare. The Illinois Central soon demonstrated its ability to serve the needs of the military forces in the West by taking the lead in the transportation of troops, equipment, and supplies to Cairo for distribution at that point. Had the road been built

primarily for military service, it is difficult to see how it could have been more strategically located. Its main line, reaching the upper Mississippi at Dunleith, tapped the developing resources of the younger states of Iowa, Wisconsin, and Minnesota, while its 250 mile Chicago branch made contact with the important eastern railroad lines as well as with the vitally important Great Lakes traffic. In the words of William H. Osborn, wartime president of the Illinois Central, "The Illinois Central Railroad is second only to the Washington branch of the Baltimore and Ohio Railroad in relation to the military operations of the government."

In view of its strategic location and the transportation demands made upon it, the Illinois Central was most fortunate in being spared the ravishes of war upon its property and line, a circumstance not enjoyed by certain of the important eastern lines, notably the Baltimore and Ohio and the Northern Central. As the tide of war moved south from Cairo, the Illinois Central's southern terminus continued to be an important point of departure for men and materials required by the Union commanders in the field.

The Civil War raised an important question in the relationship between government and railroad with reference to the legal position of the land-grant railroad. In the very first grants of land for turnpikes and canals it was customary to insert a provision to the effect that these improvements should "be, and forever remain, a public highway for the use of the government, free from any toll or other charge whatever, for any property of the United States, or persons in their service."

When the first federal land grant, making possible the Illinois Central Railroad, was enacted on September 20, 1850, the form and spirit of the above pronouncement was contained in section four of the act. Until the time of the Civil War no question was raised as to the obligations of companies under land-grant charters except concerning mail transportation. Considering the limited military establishment existing in the country at that time, little, if any, importance was attached to the "free from any toll" clause in the charters.

The war changed all this, however, and for the next several decades the obligations imposed upon land-grant railroads by

their charters received serious consideration both in Congress and in the courts. The Illinois Central, being the largest and most important of the land-grant roads, was deeply concerned as to the interpretation which should be placed upon the "free from any toll" clause by the government. After months of uncertainty, during which time the road continued to provide transportation service for the military and naval forces without any assurance of reimbursement, an agreement was reached whereby the government claimed the right to use the company's road-way without compensation, but agreed to compensate the railroad for the use of its motive power, cars and other facilities. The figure agreed upon was the normal rate allowed other railroads for passenger and freight service, less thirty-three and one-third per cent as being due the government for charter privileges.

The agreement reached between the United States Government and the Illinois Central Railroad on August 17, 1861, was continued in force throughout the war, and in spite of occasional complaints on the part of the railroads and numerous efforts in Congress demanding a more literal interpretation of the "free from any toll" clause, it remained for a decade thereafter as the guiding principle in the relationship between the government and the land-grant railroads.

While emphasizing the contribution of the Illinois Central to the military activity of the North, sight must not be lost of the fact that the company was also called upon to provide transportation service for civilian enterprises greatly accelerated by the stimulus of war. Upon many occasions the road was taxed to the limit to meet the demands made upon it, and in cases where military and civilian activity were in competition for the road's facilities, it was the civilian activity which suffered. In this connection the road found it necessary to undertake the duties of a grain merchant during 1861 and 1862 in order to protect its own position as the state's largest land holder and make possible the marketing of a bumper corn crop. More than 3,000,000 bushels of corn and a much smaller quantity of wheat were accepted by the company as payment for lands during these years. Naturally, local industry, and agriculture in particular, felt the shortages of railroad personnel and equipment as well as the uncertainties of freight service most acute during periods of intense military effort.

The demands of business, both civilian and military, hastened a development already under way in regard to the relative importance of the two arms of the Illinois Central system, still called by their original designations as the main line and the Chicago branch. The rapid development of Chicago as a center of trade and commerce had raised the branch to a position of near equality with the main line even before the outbreak of war. The stoppage of the Mississippi trade and the routing of a major share of the Illinois grain crop to Chicago hastened the transition still further. By 1863, President Osborn stated publicly that the Chicago branch had become, in fact, "the main line of the road." It was a matter of decades before the change in terminology was accepted generally, but, nevertheless, the superiority of the Illinois Central's Chicago line dates very clearly and unmistakably from the Civil War period.

The experience of the Illinois Central during the Civil War was not greatly dissimilar from that of American railroads generally during the world conflicts of the twentieth century. Such factors as an inadequate labor supply, a shortage of equipment, and added difficulties of maintenance in the face of an unprecedented traffic demand all combined to intensify the ordinary problems of railroad operation. Consequently, while railroad earnings reached new heights during the war, the expense of labor, maintenance, and operation also increased at a rapid pace. Nevertheless, the Illinois Central became a dividend-paying railroad for the first time during the Civil War. The initial dividend, which totaled only two per cent in 1861, rose to four per cent in 1862, eight per cent in 1863 and 1864, and reached the handsome figure of ten per cent in 1865.

The story of Civil War transportation is one of remarkable development and widespread prosperity fostered by the extraordinarily heavy traffic; of improvements in equipment, but hard wear upon the lines, and only a very slight expansion of the nation's total railroad mileage because of the exigencies of war. This general description of the experience of the northern railroads during the Civil War is most applicable to the Illinois Central, pioneer railroad of the West, and a vital link in the nation's transportation system.

The chief concerns of the Illinois Central management as the

postwar era opened centered around such problems as the difficulty of maintaining the traffic level at a point comparable to that of the war years, the necessity of reducing the expenses of railroad operation which had nearly trebled since 1861, and the imperativeness of acquiring feeder lines whose local business would, in turn, swell the total traffic of the parent line. Company officials recognized that with the end of the war the profitable item of government transportation would soon disappear, and looked to the revival of the southern trade to continue the road's prosperity.

In spite of certain encouraging developments at the very outset, it was to be a matter of years before the southern connection reached its pre-war importance. Several factors combined to prevent the reviving southern trade from assuming the high position which had been anticipated for it by the Illinois Central. The slow economic recovery of the South following the war, the established nature of the Great Lakes-Erie Canal route, and the inadequacy of the road's southern terminus at Cairo all worked to the disadvantage of the company as it attempted to redevelop its southern business.

The postwar decision of the company management to acquire feeder lines beyond the borders of Illinois marked a definite break with the previous policy of the road. Heretofore, the Illinois Central had depended largely upon trackage agreements to reach business not available to the charter lines, and had consistently opposed "entangling alliances" looking toward consolidation with other companies. During the war, however, the need for feeder lines within Illinois as well as in neighboring states had been clearly recognized, and the initial steps in the first out-of-state acquisition were taken while the war was still in progress. The Dubuque and Sioux City Railroad and its subsidiary, the Cedar Falls and Minnesota, offered a most satisfactory path for expansion into the rapidly developing states of Iowa and Minnesota. The details of consolidation were worked out during 1867, and on October 1, of that year, the Illinois Central took formal possession of the Dubuque and Sioux City Railroad.

With the consummation of the agreement between the Illinois Central Railroad and the Dubuque and Sioux City Railroad,

a new chapter opened in the corporate existence of the great Illinois thoroughfare. It marked the beginning of a great period of expansion which eventually carried the Illinois Central into fourteen states of the Middle West and South, and made of it the leading north-south system in the United States.

BIBLIOGRAPHICAL NOTE

The records of the company constitute the most important source for a study of the activities of the Illinois Central Railroad. The corporate records of the Illinois Central from the date of its incorporation in 1851 until the end of the presidency of Stuyvesant Fish in 1906 have been deposited with the Newberry Library in Chicago, and were there made available to the writer. Most valuable for this study were the many volumes of correspondence of the presidents and other high officials of the company during the period 1855 to 1870. Of the various manuscript collections used, the William K. Ackerman Papers and the Mason Brayman Manuscripts in the Chicago Historical Society Library were the most rewarding. Government documents, both state and national, were used to shed light upon the relationship between government and railroad in wartime. Newspapers of the period, transportation journals, and corporation documents, including Illinois Central publications, all yielded valuable information. Of the secondary works consulted for this study, railroad and transportation studies were the most important, ably supported by state histories, specialized studies and articles from historical journals.

VITA

Robert Mize Sutton was born in Bunker Hill, Illinois, December 15, 1915, the son of Lee Sutton and Mary Mize Sutton. He was graduated from the Meissner High School, Bunker Hill, Illinois, in May, 1933, and from Shurtleff College, Alton, Illinois, with the degree of Bachelor of Arts in June, 1937. A scholarship in history for the academic year, 1937-1938, enabled him to undertake graduate work at the University of Illinois, where he was granted the degree of Master of Arts in History in June, 1938. From 1938 until 1942 he taught social science courses in the Meissner High School, Bunker Hill, Illinois.

His teaching was interrupted by the war, and following his induction in December, 1942, he served for three years with the United States Army Air Forces. Upon his discharge in January, 1946, he returned to teaching duties at Edwardsville High School for the second semester. During the summer he was guest instructor in history and political science at his Alma Mater, Shurtleff College.

In September, 1946, Sutton returned to the University of Illinois to resume graduate study in history. Since February, 1947, he has held a teaching assistantship in the history department of the University.

He was married to Elizabeth Blair of Alton, Illinois on June 19, 1942, and they are the parents of a daughter, Sarah Mize. He is a member of Phi Kappa Phi.